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| KEY TERMS FOR THIS APPRAISAL REPORT | |
| **APPRAISAL REPORT** | The content of an Appraisal Report must be consistent with the intended use of the appraisal and, at a minimum: (i) state the identity of the client and any intended users, by name or type; (ii) state the intended use of the appraisal; (iii) summarize information sufficient to identify the real estate involved in the appraisal, including the physical, legal, and economic property characteristics relevant to the assignment; (iv) state the real property interest appraised; (v) state the type and definition of value and cite the source of the definition; (vi) state the effective date of the appraisal and the date of the report; (vii) summarize the scope of work used to develop the appraisal; (viii) summarize the information analyzed, the appraisal methods and techniques employed, and the reasoning that supports the analyses, opinions, and conclusions; exclusion of the sales comparison approach, cost approach, or income approach must be explained; (ix) state the use of the real estate existing as of the date of value and the use of the real estate reflected in the appraisal; (x) when an opinion of highest and best use was developed by the appraiser, summarize the support and rationale for that opinion; (xi) clearly and conspicuously:  state all extraordinary assumptions and hypothetical conditions; and state that their use might have affected the assignment results; and (xii) include a signed certification in accordance with Standards Rule 2-3. |
| **PURPOSE OF THE APPRAISAL** | The purpose of this appraisal assignment is to provide a supportable opinion of the market value of the Fee Simple interest in the subject property in its current “as is” condition. |
| **PROPERTY RIGHTS APPRAISED** | **Fee Simple.** *Absolute ownership unencumbered by any other interest or estate, subject only to the limitations of the four powers of government.[[1]](#footnote-1)* |
| **DEFINITION OF MARKET VALUE** | The most probable price which a property should bring in a competitive and open market. Conditions requisite to a fair sale, the buyer and seller each acting prudently, knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale whereby: 1) Buyer and seller are typically motivated; (2) Both parties are well informed or well advised, and acting in what they consider their own best interests; (3) A reasonable time is allowed for exposure in the open market; (4) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangement comparable thereto; and, (5) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.[[2]](#footnote-2) |

**VALUE** Retrospective Fair Market Value.

**PERSPECTIVE**

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| **FAIR MARKET VALUE** | The fair market value of the land is the price as of the valuation date for the highest and best use of the property which a vendor, willing by not obligated to sell, would accept for the property, and which a purchaser, willing but not obligated to buy would pay for the property if the property was not subject to any restriction imposed under this subtitle.  ***Source: Annotated Code of Maryland, Agricultural Article, Section 2-511(1)*** |
| **EXPOSURE AND MARKETING TIME** | Exposure time as used in this appraisal report is defined as:  **Exposure time.** *The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based on an analysis of past events assuming a competitive and open market.*  Based upon the market data from the sales of comparable properties in the market my conclusion of exposure time follows:  Conclusion:  Exposure Time [ENTER TIME HERE]  **Marketing time.** *The time it takes an interest in real property to sell on the market subsequent to the date of appraisal.*  Based upon the market data from the sales of comparable properties in the market my conclusion of exposure time follows:  Conclusion:  Marketing Time [ENTER TIME HERE] |

1. Source: The Dictionary of Real Estate Appraisal, Appraisal Institute, Sixth Edition, 2015 [↑](#footnote-ref-1)
2. Source: FIRREA [↑](#footnote-ref-2)